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**From:** Pham, Lisa [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=14A7264DB49E40308C0E7CCD700C7EE7-PHAM, LISA]  
**Sent:** 9/29/2020 9:09:31 PM  
**To:** Laura Sorey [Laura.Sorey@LA.GOV]  
**CC:** Stephen Lee [Stephen.Lee@la.gov]  
**Subject:** RE: Louisiana Class VI Crosswalk Revisions  
**Attachments:** EPA Certificate of Deposit Checklist.pdf

Good afternoon Laura,

We're using the attached checklist to review your Pledge form.

Could you please respond to the following questions:

- Where and how are the State determining the Qualification of Issuing Institution?
- Is the form reviewed annually or just when new information is received?
- How the interest is to be invested and if there is a change in the cost estimate will the CD be reissued?

Thanks.

Lisa

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**From:** Laura Sorey <Laura.Sorey@LA.GOV>  
**Sent:** Friday, September 25, 2020 7:19 AM  
**To:** Pham, Lisa <Pham.Lisa@epa.gov>  
**Cc:** Stephen Lee <Stephen.Lee@la.gov>  
**Subject:** RE: Louisiana Class VI Crosswalk Revisions

Good morning Lisa,

That's wonderful news!

I've attached the Pledge of Certificate of Deposit form that we currently use. As an FYI, this may not be the final version of the form for Class VI projects. However, we don't anticipate any substantial changes to the content or language.

Thanks,  
Laura

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**From:** Pham, Lisa [<mailto:Pham.Lisa@epa.gov>]  
**Sent:** Thursday, September 24, 2020 3:27 PM  
**To:** Laura Sorey <Laura.Sorey@LA.GOV>  
**Cc:** Stephen Lee <Stephen.Lee@la.gov>  
**Subject:** RE: Louisiana Class VI Crosswalk Revisions

<b>EXTERNAL EMAIL:</b> Please do not click on links or attachments unless you know the content is safe.
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Good afternoon Laura,

We are getting close to our reviews. Things are moving fast!

One request.

Could you please send me a copy of your Pledge of Certificate of Deposit form.  
It was mentioned in your response but we don't have it.

Thanks.

Lisa Pham

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**From:** Laura Sorey <Laura.Sorey@LA.GOV>  
**Sent:** Monday, September 21, 2020 2:06 PM  
**To:** Pham, Lisa <Pham.Lisa@epa.gov>  
**Cc:** Johnson, Ken-E <Johnson.Ken-E@epa.gov>; Kelly, Suzanne <Kelly.Suzanne@epa.gov>; Przyborski, Jay <Przyborski.Jay@epa.gov>; Stephen Lee <Stephen.Lee@la.gov>; Corey Shircliff <Corey.Shircliff@la.gov>; Kellie McNamara <Kellie.McNamara@LA.GOV>  
**Subject:** Louisiana Class VI Crosswalk Revisions

Hey Lisa,

Our updated Class VI draft rule and crosswalk are attached here. A few responses to items from the EPA's 8/27/20 response to note:

**Line 239 & 311** – “under the SDWA” was restored to the rule text.

**Line 440** – The draft provision stating “The commissioner may grant a variance to application requirements upon proof that the exception does not present a danger to the USDW or to the health and safety of the public or the environment, “ was removed entirely.

**Line 508** – References to the Carbon Dioxide Geologic Storage Trust Fund were removed, as the CDGSTF doesn't pertain to standby trusts. A more detailed description of the CDGSTF is provided in the attached email. However, 40 CFR 146.85(a)(6)(iii) won't be adopted into state rule. As part of the authority granted by La R.S. 30:4(R) and 30:4.1.B.1, the commissioner may require that instruments of financial responsibility be issued in sole favor of the Office of Conservation, thereby averting the need to establish a standby trust for third party instruments.

**Line 506** – The draft rule addresses any potential vulnerability by requiring that certificates of deposit be issued, “in sole favor of the Office of Conservation in a form prescribed by the commissioner.” (§609.C.1.A) As mentioned in the updated discussion on Line 508 / 40 CFR 146.85(a)(6)(iii), the commissioner has statutory authority to require that financial instruments (such as certificates of deposit) designate DNR-OC as beneficiary or recipient of the funds. This is implemented in DNR-OC's **Pledge of Certificate of Deposit** form, which states that, “The undersigned financial institution hereby acknowledges that this Certificate of Deposit shall be presumed to be in the possession of the Office of Conservation, not the Principal, until all regulatory obligations of the Principal are satisfied and/or the Commissioner releases all rights to the collateral at issue in accordance with the Law and the Regulations on this \_\_ day of \_\_\_, 20\_\_.” Any financial instruments for any submitted forms of surety are held by the commissioner rather than by a third party.

In addition to the minor edits requested in the EPA's 8/27/20 response, the following sections have also been updated:

**Line 82**

**Lines 291-295**

**Unnumbered line prior to Line 337**

**Line 338**

Please let me know if you have any questions or if there's any additional info we can provide.

Thanks,

**Laura Sorey, PG**

*Petroleum Scientist*

Department of Natural Resources

Office of Conservation

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225-342-5581

✉ [Laura.Sorey@LA.GOV](mailto:Laura.Sorey@LA.GOV)

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